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CREDIT RECOUPMENT

NOMINEE HOLDERS, BIRTH CERTIFICATE SECURITIES, BANKING ACCOUNTING EXEMPTIONS, AND FIDUCIARY REMEDIES UNDER IRS PUBLICATION 1212

Executive Summary

This report examines the doctrinal, statutory, and fiduciary architecture underpinning the modern financial system. It explains:

- How **birth certificate registration entries** are treated as securities under corporate law principles and **House Joint Resolution 192 (1933)**.
- How banks use **accounting exemptions** to create liabilities matching deposited securities, forming the backbone of global debt.
- How the **Federal Reserve Act of 1913** and the **IMF framework** institutionalized a one-world financial system with the **U.S. dollar as the global reserve currency**.
- How **holders in due course** can correct nominee misreporting under **IRS Publication 1212** using **Form 1099-OID** and fiduciary trusts to reclaim abandoned securities.

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1. Birth Certificate Registration Entries as Securities

- Civil registration creates a **body corporate** (debtor estate) distinct from the living man/woman.
- Under **HJR-192**, obligations shifted from gold to fiat credit, enabling the securitization of birth certificates.
- The U.S. pledged these instruments as collateral, creating a mortgage over its people.

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2. Banking Mechanics and Accounting Exemptions

- **Richard Werner & Bank of England Findings:** Banks do not lend pre-existing deposits; they create credit ex nihilo by recording liabilities against securities.
- **Accounting Exemptions:** Banks use regulatory carve-outs (Basel, IFRS) to:
  - Record liabilities without immediate cash backing.
  - Net exposures and apply risk-weighted capital rules.
  - Treat securities as collateral for credit expansion.
- **Result:** Banks create matching liabilities that constitute **97% of global debt**, while the original securities remain abandoned.

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3. Global Reserve System

- The **U.S. dollar** serves as the world reserve currency, anchoring international trade and debt settlement.
- The **Federal Reserve Act of 1913** established the central banking system, enabling credit issuance backed by negotiable instruments.
- Under the **IMF framework**, the Federal Reserve and allied central banks created the architecture for a **one-world financial system** leveraging reserve currency status and global debt instruments.

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4. Role of Nominee Holders

- Banks act as **nominees** for beneficial owners of securities, including birth certificate entries.
- Beneficial owners are **holders in due course** under the **Bills of Exchange Act 1882**.
- Nominee reporting obligations under **IRS Publication 1212** apply when income arises from these instruments.

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5. IRS Publication 1212 and 1099-OID Fiduciary Remedy

- **OID (Original Issue Discount)** arises when banks discount and securitize instruments.
- Banks file OID under omnibus nominee accounts, not to the true owner.
- **IRS Pub. 1212 Rule:** If a nominee files OID but is not the beneficial owner, the true owner must file corrective Forms 1099 and report the OID on the proper return.
    - Use a **98-Series International Grantor Trust** to act as fiduciary, separate from the body corporate debtor estate.

Key Principle:

"Whoever files the 1099 is the creditor. The one who doesn't is the debtor." — Jean Keating

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Conclusion

Banks leverage accounting exemptions to create liabilities against deposited securities, including birth certificate registration entries. This mechanism, rooted in historical doctrines and codified by the Federal Reserve Act, underpins the global credit system and explains why **97% of world debt is accounting-based rather than currency-backed**. The U.S. dollar's reserve status and IMF oversight have consolidated this into a one-world financial framework. Fiduciary correction under IRS Publication 1212 and Form 1099-OID remains the lawful pathway for recouping misreported credits and abandoned securities.